STAND. COM. REP. NO. 3011

Honolulu, Hawaii

MAR 1 9 2008

RE: H.B. No. 3367

H.D. 2 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and Affordable Housing, to which was referred H.B. No. 3367, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO WIRELESS ENHANCED 911,"

begs leave to report as follows:

The purpose of this measure is to ensure that the Wireless Enhanced 911 Fund is administered properly and in an effective manner by requiring the Auditor to conduct a financial and management audit of the Wireless Enhanced 911 Fund.

Testimony in support of this measure was submitted by the Department of Accounting and General Services; and the Honolulu Police Department, City and County of Honolulu.

The Wireless Enhanced 911 Fund was established under section 138-3, Hawaii Revised Statutes, to ensure adequate recovery for the deployment of phase I and phase II wireless enhanced 911 services. Currently, wireless enhanced 911 services are available through all carriers on all islands, except for the island of Molokai, which has one wireless carrier remaining to be implemented. Your Committee finds that requiring the Auditor to conduct a financial and management audit of the Wireless Enhanced 911 Fund will ensure that the purposes and intent of establishing the fund are fulfilled.

Your Committee notes that the amount of funds required to implement phases I and II of the wireless enhanced 911 services is less than originally forecasted. Because certain wireless service providers have chosen not to seek reimbursement for wireless 911 deployment costs from the Wireless Enhanced 911 Fund, your Committee further finds that reducing the surcharge imposed on every commercial mobile radio service connection will reimburse the public. Your Committee further notes that the reduction in the surcharge amount will take into account the amount of funds needed to complete statewide deployment, operate, and maintain the wireless enhanced 911 systems, and allow for future enhancements to the system due to technological advancements.

Accordingly, your Committee has amended this measure by:

- (1) Inserting section 1 of S.B. No. 2958 S.D. 1, which amends section 138-4, Hawaii Revised Statute to decrease the surcharge tax assessed to customers from \$0.66 to \$0.43 per month for each commercial mobile radio service connection;
- (2) Adding language that requires the Auditor to determine whether the surcharge tax assessed to customers is sufficient to fund the Wireless Enhanced 911 Fund, and, if not, to recommend an appropriate surcharge tax amount; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and style.

Your Committee believes that this measure, as amended, fulfills its intent, which is to ensure that the Wireless Enhanced 911 Fund is administered properly and in an effective manner.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3367, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3367, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Commerce, Consumer Protection, and Affordable Housing,

RUSSELL S. KOKUBUN, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Commerce, Consumer Protection and Affordable Housing CPH

Bill / Resolution No.:* Committee Referral:				Date:	*	á
HB 3367 HD2	CPH	WAM		3	13	108
The committee is reconsidering its previous decision on this measure.						
If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Recommit 2312 2311 2310 2313						
Members		Aye	Aye (W	R)	Nay	Excused
KOKUBUN, Russell S. (C)		/				
IGE, David Y. (VC)		7				
ESPERO, Will						1
IHARA, Jr., Les						
SAKAMOTO, Norman						1
TANIGUCHI, BRIAN T.		1				
TRIMBLE, Gordon		✓ .				
		41	Ricuszowskie			
		Mark - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990 - 1990				
TOTAL		4				3
Recommendation:						
Adopted Not Adopted						
Chair's or Designee's Signature:						
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy						

^{*}Only one measure per Record of Votes